Dental implant competitors shake things up amidst economic uncertainty

By Kristina Vidug, USA

In 2013, the global dental implant market—composed of the sale of dental implant fixtures, final abutments, and other devices—was valued at over US$3.7 billion. The European market, valued at nearly one-third of the global market at close to US$1.2 billion, contracted through 2014, as uncertain economic conditions continued to reduce procedure volumes and as more low-cost competitors entered the market, driving down prices.

These factors hampered the expected economic recovery and resumption of growth projected for 2015.3 As a result, the dental implant market will continue its decline before stabilizing in 2015. Only then will the European market slowly begin to recover. Factors such as low gross domestic product growth and high unemployment continue to render dental implant procedures—which are primarily paid out of pocket by patients—cost prohibitive, while alternatives, such as bridges and dentures, that are perceived as more affordable will represent attractive options.

Dental implants were invented in Sweden; as a result, it is not surprising that a great number of premium manufacturers are based in Continental Europe. In the past, premium manufacturers, such as Straumann and DENTSPLY Implants, were able to rely on their long-standing reputations in the market and the high quality of their products to command higher prices than did some of their competitors.

More recently, however, some of the premium competitors have employed strategies to appeal to increasingly cost-conscious consumers. For instance, Straumann has reduced the price of its titanium implants by 15 per cent in Austria, Germany and Switzerland. While the price change only came into effect in the first quarter of this year, the strategy appears to have been effective because the company reported a 6 per cent rise in first-quarter revenue2 compared with a 6 per cent decrease in the same period last year.

There is discussion of merger and acquisition activity among other companies in the segment too, with Nobel Biocare reportedly in talks to sell to private equity firms and strategic buyers. While these talks are still in the very early stages, what is certain is that there has been a great deal of activity in the competitive landscape in the past several years.

This, combined with the aforementioned economic factors, is turning this once stable and mature market into a dynamic, action-filled space. With the dental implant market set to rebound in Europe and with revenues expanding in other countries—particularly in the rapidly developing BRIC and Middle Eastern markets—the global industry is poised for even further change, and the competitive landscape could look entirely different a few years from now.

Global dental equipment market to reach over $7 billion by 2019

Dental Tribune International

According to a new report published by US market research and consulting company MarketsandMarkets, the global dental equipment market is expected to reach $7.138.9 million over the next five years. Along with technological advancements, the rising aging population worldwide, increasing demand for cosmetic dental treatments and growing dental tourism were identified as the main driving factors of this market.

From $5.416.3 million in 2014, the global dental equipment market will grow at a compound annual growth rate of 5.7 per cent over the next several years.

Regarding product categories, the dental systems and equipment segments are expected to grow at the highest compound annual growth rate, owing to the increasing need for dental services attributed to the rising aging population worldwide and in the Americas in particular. In Asia, growth will be largely determined by the favorable regulatory environment in this region. In addition, more major dental companies are expected to expand into and invest in the Asian region.

Dental radiology equipment constitutes the second-largest segment in the market. In this segment, MarketsandMarkets expects the highest growth in extra-oral X-ray devices, mainly attributed to the increasing demand for CBCT systems.

Among other companies, the report identifies A-dec, BIOLASE, Ivoclar Vivadent, Planmeca and Sirona as prominent industry participants in the dental equipment market.

The full report, titled “Dental Equipment Market (Dental Radiology, CAD/CAM, Dental Chairs, Dental Lasers) Current Trends, Opportunities—Global Forecast to 2019,” can be purchased via MarketsandMarkets’ website.